

## Memorandum

**To:** Planning Commission

From: Rob Odle, Policy Planning Manager, 556-2417

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Date: November 6, 2002

**Subject:** Staff Recommendation – Preliminary Preferred Growth Strategy

2002 Comprehensive Plan Amendment

## **Background**

In February 2000, the City Council endorsed three draft alternatives for growth through 2022 for further evaluation as part of updating the City's Comprehensive Plan. During workshops the previous year, more than 100 citizens expressed their views on these draft alternatives and on what community qualities are important to maintain and enhance the City's livability now and in the future

In general, the draft growth alternatives represent different approaches in terms of the desired type, amount and rate of further development in Redmond. Overall, the long-term vision for Redmond is not expected to change significantly under any of the alternatives.

Further work on the draft growth alternatives was delayed to allow integration of the growth alternatives work with an update of the City's transportation plan. We are now ready to proceed with the next step: selection of a preliminary preferred growth strategy. The preliminary preferred growth strategy will provide the framework for Comprehensive Plan and Transportation Master Plan updates, including updates to the City's targets for housing and job growth through 2022.

### **Public Comments to Date**

Below is a summary of comments on the draft alternatives from people who live, work, own property or are simply interested in the future of Redmond. These comments are from meetings and a survey held in 2002, as well as from initial workshops held in 1999 to identify a range of growth alternatives for further consideration.

October 2002 Workshop and Public Hearing

The City held a public workshop and hearing during the week of October 21. Approximately 25 people attended the workshop and about 15 attended the hearing. Among the participants were those who live, work or own property in Redmond, as well as those simply interested in the future community. At the workshop, participants discussed the pros and cons of the draft alternatives relative to several important community qualities. Among the major themes from the two meetings were:

- Slower rate of growth can reduce pressure on the environment, but development also provides an opportunity to bring facilities into compliance that do not meet current regulations and to correct existing problems.
- Value having good job opportunities and economic growth in the community; particularly want to retain and support existing businesses. Comments from businesses ranged from the importance of having a predictable environment in which to operate and plan for the future to a concern about growth that is too rapid and worsens traffic congestion. Some commented that the needs of small businesses are different from larger corporations. There were also concerns about increased commuting if job growth significantly outpaces housing growth.
- Overall, a number of participants favored greater diversity in the price and type of new
  housing in Redmond to enable people of various incomes and needs to continue to live here.
  Participants spoke to the importance of having opportunities for people who work in
  Redmond to own homes here, but some also expressed concerns about implications for
  industrial businesses in SE Redmond if more land is zoned for housing. There was support
  for providing more housing in Overlake and Downtown, but also some support for slowing
  the rate of growth.
- In general, some participants expressed concern about the loss of natural areas and trees, worsening traffic and transportation chokepoints, and needs for parks and other services.
   Some were concerned about the overall rate of growth in Redmond and implications for assuring facilities and services needed for growth.

The last page of this memo provides the results of workshop participant's votes on the three draft alternatives.

## June 2002 Telephone Survey

The City has periodically conducted a telephone survey of residents through the Gilmore Research Group to gather feedback on citizen satisfaction and service priorities for the bi-ennual budget. The latest survey was conducted in June 2002 and included feedback from 419 Redmond residents.

As part of this survey, residents were asked to give their opinion regarding the three draft growth alternatives. Nearly half (48%) prefer that Redmond "slow the rate of new development and housing to reduce impacts on transportation and other city systems". Most of the remainder were evenly divided between the other two draft alternatives. When asked the reasons for their preference, most of those who preferred Draft Alternatives 2 or 3 cited a desire to decrease traffic in Redmond, a belief that the City has been growing too fast in general or that they prefer a slower rate of job growth. The results suggest that residents might support a plan that features a more gradual rate of development based on an improvement in the balance of jobs and housing.

Those who preferred Draft Alternative 1 cited a desire for more jobs in the City, a belief that this alternative would improve housing options, or that they favored growth.

# October 1999 Workshops

In October 1999, the City held two workshops to seek public comments on which draft growth alternative(s) the City should evaluate further and what other options should be explored. Most of the participants who spoke at the workshops or provided comments afterward favored Draft Alternatives 2 or 3. Participants cited a need to slow growth to provide time to catch up with infrastructure and transportation needs, reduce impacts on the environment and quality of life, and better balance the amount of housing and jobs in the City.

Draft Alternative 1 was the third choice among workshop participants in 1999. Those who preferred this alternative for further study saw this as a realistic amount of job growth that would involve fewer restrictions and accommodate the needs of existing businesses. They also favored opportunities to continue to diversify and strengthen Redmond's economy and to attract improved transit service.

### **Staff Recommendation**

During the past few years, specific feedback from various public outreach efforts has varied, but a few major themes have remained fairly constant among citizens in the community:

- Desire to reduce traffic congestion in Redmond, or at least reduce the rate of increase.
- Desire for parks, police and fire protection, and other services/facilities to meet needs and contribute to a high quality of life.
- Desire to retain existing businesses in Redmond, and to provide a good selection of jobs.
- Desire for better range of choices in new housing.
- Desire for environmental quality.

Based on this feedback and evaluation of the draft alternatives, staff recommends Draft Alternative 3 with modifications in response to a number of the public comments to date.

## **Alternative 3 Modified Concept**

Below is a description of recommended key elements in the modified concept for this draft alternative:

# Residential Development

- Look for, emphasize and encourage opportunities to improve the supply and diversity of new housing in Redmond. Improvements in housing supply are needed to both enable more people to live near work, thereby reducing traffic volumes, trip lengths and commuting, and to better address the needs of households of various sizes, ages and incomes. Seek more ownership opportunities in both single-family and multi-family housing.
- Recognizing that land supply in Redmond is finite, consider City employment centers as leading potential locations for more housing opportunities. However, also recognize that the employment centers will likely vary in their suitability for more housing and vary in terms of

timing. For example, Downtown or Overlake might offer more opportunities in the near-term while a location like SE Redmond might be a longer term option that could require more consideration of strategies to minimize conflicts with industrial uses.

Promoting use of land in employment centers for housing can help to improve the balance between the amount of housing and jobs added to the City, reducing upward pressure on housing prices. The addition of more housing at these centers can also contribute to the likelihood of successful transit use in the area.

Overall, new single-family homes would likely continue to be developed on the remaining
vacant and underused parcels in residential zones, similar to trends during the past few years.
However, also pursue opportunities to increase choices in new housing in residential zones,
such as cottages and other smaller detached single-family homes, attached homes, and
accessory dwelling units.

# Retail, Office and Industrial Development

- Develop a strategy in collaboration with businesses and developers to reduce the traffic impacts associated with the amount of commercial development expected under Draft Alternative 3. Potential elements in a strategy could include:
  - Emphasize retail or office development Downtown where employees have less need to use a car for errands during the day.
  - Consider creating incentives for other employment centers to reduce travel demand by linking office or light industrial development with provision of convenience businesses to serve employees day-to-day needs.
  - Emphasize opportunities for office or light industrial development that includes or is preceded by housing development.
  - Consider creating an incentive package that would link office or light industrial development with transportation improvements or reductions in travel demand.
  - Emphasize retaining existing businesses since some businesses may have chosen to locate or remain in Redmond due to proximity to where managers or other employees live.
- Maintain the current limit of 15.4 million square feet of floor area for Overlake. However, proceed with consideration of designating Overlake center as an "urban center" as part of the 2002 Comprehensive Plan Updates.

### Rationale for Recommendation

• More housing growth is needed in Redmond During the past seven years, Redmond added 7 jobs for every new dwelling. Job growth has provided a number of benefits for Redmond and other eastside communities, including a healthy economy, more local services, and revenue to help fund service and facility improvements. However, when the number of people looking for homes significantly exceeds supply, there is upward pressure on housing

prices. Commuting and trip lengths increase as more people work in Redmond but cannot find housing here.

Some of the people who work in Redmond live in nearby communities, such as Bellevue, Kirkland, Sammamish or Duvall. While the larger market helps to provide housing opportunities for people who work in Redmond, it also translates to more traffic on local and regional streets. In addition, Redmond is not the only community on the Eastside of King County with a higher level of job growth compared to housing growth. The Washington Research Council's 2000 report on jobs-housing balance notes that while the amount of job and housing growth on the Eastside has varied during the past several decades, as of 1999, the number of jobs compared to housing exceeded the overall ratio for King County. This indicates that the housing market is tight not only in Redmond but also in the larger Eastside.

In California, jobs-housing imbalances were of such significant concern that the state established a program in 2000 to provide \$110 million to local governments for projects to improve the balance of jobs and housing in communities throughout the state. This program is based on the concept that a better relationship between the amount of jobs and housing in local communities reduces congestion and commute times, provides air quality benefits, reduces costs for new facilities and services, and provides quality of life benefits. Recent Census data indicate that, on average, people choose to live and work in locations that will enable a commute of 25 minutes or less.

- Support the vision of Downtown, Overlake centers as lively, mixed-use places. The recommended draft alternative would continue development of retail and office space Downtown and at Overlake and increase the emphasis on housing development. Continued retail and office development Downtown helps provide a daytime population that can support stores and restaurants. Increasing the number of people who live Downtown or at Overlake helps support stores and restaurants during the evening, and will contribute to the overall level of activity both during the day and in the evening.
- <u>Improve choices in new housing.</u> Compared to the other draft alternatives, the recommended draft alternative would not only do the most to increase opportunities for housing in Redmond but would also likely provide the best opportunities for increasing choices in the type and price of new housing.
- Consistency with regional growth targets: The recommended draft alternative would be consistent with both regional housing and employment targets. The regional targets embrace the idea of better balance between the amount of housing and jobs in communities and subareas of King County. The recommended alternative is also consistent with policy direction in the City's Comprehensive Plan that supports a balanced community.
- Continue retail, office and light industrial development while emphasizing strategies to reduce traffic congestion. Businesses such as Safeco Insurance have made significant progress in encouraging employees to carpool or use other strategies to reduce travel demand. As transportation funding options become more limited, these kinds of strategies will be key to enabling continued growth while retaining community quality of life and avoiding significant increases in traffic volumes and related pollution and congestion.

The City is not in a position to commit to changing zoning to increasing commercial development capacity at Overlake above the 15.4 million square foot limit. Staff believes that at this point, committing to zoning changes in Overlake to increase capacity above the current limit of 15.4 million square feet of floor area as suggested in Draft Alternative 1 is premature. The Overlake Neighborhood Plan and BROTS Update were adopted only three years ago and transportation improvements such as high capacity transit and other measures needed to accommodate development above the 15.4 million capacity limit have not been funded. Updating the Overlake Neighborhood Plan and BROTS will require extensive participation by businesses, the public and neighboring jurisdictions and should be part of developing a longer-term strategy for Overlake that defines more specifically the types of strategies and investments needed to support a zoning change.

# **Next Steps**

The preliminary preferred growth strategy will be the basis for and focus of further analysis during the plan updates. Following Planning Commission recommendation and City Council action on a preliminary preferred growth strategy, staff will develop a work plan identifying portions of the Comprehensive Plan and Development Guide that would need to be updated to carry out the preferred alternative as part of the 2002 Comprehensive Plan Amendments. In general, the January to June 2003 portion of the work plan would include further evaluation of the preliminary preferred growth strategy through environmental review, work on the Transportation Master Plan, and consideration of amendments to carry out the alternative. This evaluation would include work by staff, further consideration of the alternative and implications by the public, further evaluation by the Planning Commission and ultimately, City Council adoption of an updated Comprehensive Plan.

Please contact Lori Peckol if you have any questions or comments.